

TROY E. TILLERSON

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE MIDDLE DISTRICT OF ALABAMA
3 EASTERN DIVISION
4 CASE NO. 3:05-cv-985-MEF

ORIGINAL

5
6 TROY E. TILLERSON,
7 Plaintiff,
8 V.

9 THE MEGA LIFE AND HEALTH INSURANCE CORPORATION,
10 a corporation; TRANSAMERICA LIFE INSURANCE
11 COMPANY, F/K/A PFL LIFE INSURANCE COMPANY, a
12 corporation; NATIONAL ASSOCIATION FOR THE SELF
13 EMPLOYED A/K/A NASE, a corporation,
14 Defendants.

15
16 S T I P U L A T I O N S

17 IT IS STIPULATED AND AGREED by and between
18 the parties, through their respective counsel,
19 that the deposition of TROY E. TILLERSON may be
20 taken before STACEY L. JOHNSON, Commissioner, at
21 the Offices of Hollis & Wright, P.C., 505 North
22 20th Street, Suite 1750, Birmingham, Alabama, on
23 the 24th day of April, 2006.

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1 of network. You come down, and you've got
2 out-of-pocket maximums. Then you've got
3 coinsurance and things like that that are
4 listed.

5 Did you review that whenever you looked
6 at the policy?

7 A To be honest, I don't remember.

8 Q That's fair. I'm going to show you
9 what we're going to mark as Exhibit 2 to your
10 deposition. And this is a part of the policy.

11

12 (Whereupon, Defendants' Exhibit
13 Number 2 was marked for identification
14 and copy of same is attached hereto.)

15

16 MR. COUCH: So we're clear, Exhibit 1
17 are pages 8 and 9 that are the bottom of the
18 page, right-hand corner?

19 MR. LAMPKIN: Yeah. I -- let me
20 identify. Exhibit 1 consists of Bates labels
21 TI300011 and 12. Exhibit 2 is TI3000 -- that's
22 three zeros -- 23, just for the Record.

23 Q And -- and I'll -- Mr. Tillerson, I'll

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1 represent this is actually a part of the policy
2 that would have been provided to you. You see
3 down at the bottom it says Premium Changes?

4 A Uh-huh.

5 Q Tell me if what I read is correct. We
6 reserve the right to change the table of
7 premiums on a class basis becoming due under the
8 group policy at any time and from time to time
9 provided we have given the group policyholder
10 written notice of at least 31 days prior to the
11 effective date of the new rates. Is that what
12 that says?

13 A Uh-huh. Yes, sir.

14 Q Can you understand that's saying the
15 company reserves the right to the change
16 premium?

17 A Yes.

18 Q And if you would have read that back in
19 1996, you would have known that the company had
20 the right to change the premiums; right?

21 A Yes.

22 Q You said that Mr. Splawn said you
23 couldn't be singled out for a rate increase.

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1 What did he say -- what did he tell you in
2 regard to that?

3 A Well, he told me that since it was a
4 group policy, that no one person could be
5 singled out. That if a rate increase occurred,
6 it would be across the board.

7 Q Okay. In other words, you couldn't --
8 you yourself wouldn't be the only one that would
9 get a rate increase?

10 A Exactly.

11 Q And this conversation occurred when you
12 met with him back in 1996?

13 A Yes, sir.

14 Q In your complaint, you have made
15 allegations that -- let me find it so I'll make
16 sure I get it right. You made several
17 allegations related to what is called fraud.
18 Both -- there's several species of fraud in
19 Alabama. Tell me what -- and basically it's --
20 it's Mr. Splawn told you something that wasn't
21 true. Okay?

22 A (Witness nods head.)

23 Q One of the counts is that he knew it

Rehabilitative Services

We will not provide benefits for any service or supply provided to an Insured Person as an outpatient at a Hospital or other facility where the admission or treatment is primarily to provide Rehabilitation Services. Rehabilitation Services include physical, occupational, and speech therapy. Coverage for these services may be added by a rider.

EFFECTIVE DATE OF COVERAGE

Beginning of Coverage

We require evidence of insurability before coverage is provided. Once We have approved Your Enrollment Application based upon the information You provided therein, coverage for You and those dependents listed in the Enrollment Application and accepted by Us will begin on the Certificate Date shown in the Certificate Schedule.

Newborn Children

If You have one or more Eligible Dependents covered under the Group Policy, Your newborn children will be provided coverage after the Certificate Date from the moment of birth for 31 days. To continue coverage beyond 31 days, You must send written notice directing Us to add the newborn child. This notice must be received by Us within 31 days of the newborn child's birth and must be accompanied by any required additional premium.

If no Eligible Dependents are covered under this plan at the time a child is born to the Insured, such newborn child will not be a Covered Dependent from the time of birth. Such child may only be added in accordance with the "Additional Dependents" provision below.

Additional Dependents

You may add Eligible Dependents by providing evidence of eligibility and insurability satisfactory to Us and upon payment of any additional premium, if required.

The acceptance of a new Eligible Dependent will be shown by endorsement and the date of the endorsement will be the effective date of coverage for the new Eligible Dependent.

PREMIUMS

Due Date

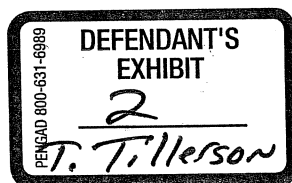
Premiums are payable to Us at Our office at North Richland Hills, Texas. The premium is payable monthly, quarterly, semi-annually or annually. Payment of any premium will not maintain coverage in force beyond the next premium due date, except as provided by the Grace Period. Any indebtedness of the Insured Person to Us arising out of prior claims may be deducted in any settlement under the Group Policy.

Grace Period

A grace period of 31 days, measured from the premium due date, will be allowed for payment of all premiums due, other than the first. During this time, the coverage will remain in force, unless We receive written notice that the coverage is to be terminated.

Premium Changes

We reserve the right to change the table of premiums, on a class basis, becoming due under the Group Policy at any time and from time to time; provided, We have given the Group Policyholder written notice of at least 31 days prior to the effective date of the new rates.



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DUPLICATE